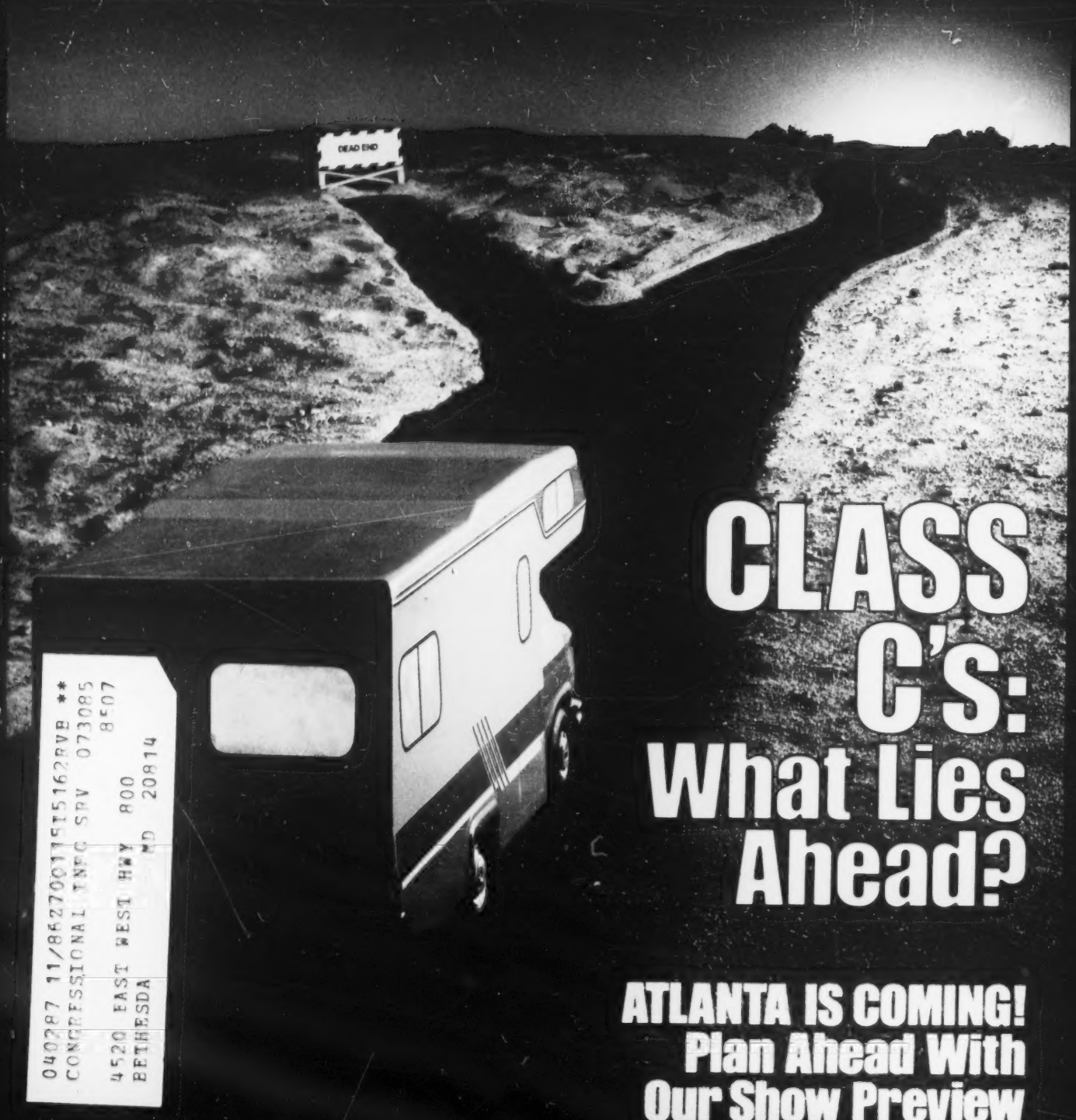
C8950-2
11/26/86

RV BUSINESS

NOVEMBER 1986 $2.00



040287 11/86270011T5162RVB **
CONGRESSIONAL INFO SRV 073085
4520 EAST WEST HWY 800
BETHESDA MD 20814

CLASS C's: What Lies Ahead?

ATLANTA IS COMING! Plan Ahead With Our Show Preview

Page 125

RV BUSINESS

CONTENTS

FEATURES

CLASS C'S: WHAT LIES AHEAD
Robert Longsdorf Jr.

The conventional Class C mini-motorhome has fallen on hard times, with declining unit shipments and market share. Micro-mini and low-profile Class C's have further segmented the market. Industry opinion is divided over the future prospects for Class C's.

HITCHING UP TO PROFITS
Robert J. Emprimo

The correct marketing of trailer-towing equipment can help boost dealers' profits. This article offers a detailed "game plan" for starting up a viable hitch business.

1987 DEALER OF THE YEAR
Jim Norland

Jack Fast of Cascade Trailer Sales in Eugene, Oregon, has succeeded with a policy of extra-special attention to customers.

HARD TIMES IN TEXAS OIL COUNTRY
John Paul Pitts

The heart of Texas oil country is facing an economic depression, yet many RV dealers there are doing better than would be expected, thanks to some surprise windfalls, tough cost-cutting and new business strategies.

CELEBRITY PROMOTIONS
Colleen Fenrich

Famous faces can help draw traffic to dealers' lots and sell products. Effective celebrity promotions don't need to be expensive; it all depends on how dealers go about it.

MIRRORS
Don Magary

A survey of 1987 rearview mirror designs highlights how manufacturers are stressing styling as well as safety.

MARKETING CONCEPTS
Robert B. Galin

This month's feature focuses on Stevinson RV Center. Owner Gene McLain credits "sincerity" in sales approach and an experienced sales force for his success.

AD OF THE MONTH
Ben Sussman

Green Tree Acceptance shows how well it can play the financial—and advertising—game.

ATLANTA SHOW PREVIEW

Attendees can use the floorplan provided and listings of manufacturers and suppliers to plan their show visit.

ON THE COVER: The traditional Class C mini-motorhome is at a crossroads. Its future, whether a dead-end or a new horizon, may depend on today's cost, design and marketing decisions. Model courtesy of Fleetwood Enterprises Incorporated. Photo: Paul Pribble.

DEPARTMENTS

EDITORIAL
John Thompson

LETTERS

MAXWELL
Gaylord Maxwell

OERTLE
V. Lee Oertle

GUESTVIEW
Ed Andrysiak

RV PEOPLE

PERSPECTIVE

ASSOCIATIONS

SHIPMENTS

AFTERMARKET

INDUSTRY NEWS
Olga Markowitz

LEGAL CONCEPTS
Fred S. Steingold

PROFITMAKERS

CALENDAR

Perspective

An analysis of RVB's monthly survey of its Dealer Advisory Board Members

GAYLORD MAXWELL

	NEW						USED					
	FOR MONTH			YEAR-TO-DATE			FOR MONTH			YEAR-TO-DATE		
	AUG. 1986	AUG. 1985	% CHANGE	1986	1985	% CHANGE	AUG. 1986	AUG. 1985	% CHANGE	1986	1985	% CHANGE
MOTORHOMES	113	120	− 6	834	959	−13	90	92	− 2	754	721	+ 5
TRAVEL TRAILERS	104	99	+ 5	779	755	+ 3	76	102	−25	691	658	+ 5
TRUCK CAMPERS	15	22	−32	129	143	−10	10	13	−23	83	99	−16
CAMPING TRAILERS	82	111	−26	925	1036	−11	30	60	−50	271	311	−13
FIFTH-WHEELS	26	24	+18	201	222	− 9	5	8	−38	60	74	−19

	FOR MONTH			YEAR-TO-DATE		
	AUG. 1986	AUG. 1985	% CHANGE	1986	1985	% CHANGE
SALES VOLUME	$8,425,458	$9,540,550	−12	$70,873,477	$73,122,853	−3
TOTAL UNIT SALES	551	633	−13	4,727	4,978	−5
NEW-UNIT SALES	340	358	− 4	2,868	3,115	−8
USED-UNIT SALES	211	275	−23	1,859	1,863	−less than 1%

The slightly downward trend in retail sales, which has been apparent for several months, continued through August. The dip is not general; that is, some dealers are up considerably over last year, while others have suffered significant drops. On the average, however, the Dealer Advisory Board (DAB) decline is slight in both dollars and units.

In terms of dollars, 11 DAB members were up for the month, and 9 were down. Year-to-date, those figures are reversed. Net profits were mixed, but more than a third of our reporting dealers marked the "poor" column.

New-unit sales figures for August last year and this year were very close, although three RV types were down this year compared to last year and only two types were up. Used units dipped much more drastically. Year-to-date, however, used sales for the two years are almost identical.

Inventories seem to be under control for this time of the year, when most dealers want to be lean in preparation for the new models. Although a few DAB members feel that their used supply is high, they are, in general, on the low side in that department. There also is a general feeling that lot traffic is either low or, at best, average.

The overall retail picture of the RV industry is confusing. Some dealers are going gangbusters; others are going broke, or at least having serious problems in coping with greatly reduced sales. More dealers, however, are about where they were at this time last year.

MOTORHOMES

"Mixed results" most accurately describes August's new-unit sales for DAB members who stock this RV type. Five were down, three were the same, and eight were up. Used sales faltered slightly for the month. For the year-to-date, the 13 percent drop for new units is the largest for any new category. Used sales are still on the plus side.

Motorhome dealers haven't been able to pull in extra-high grosses, but profits apparently aren't bad. More than half of the DAB reported good profits.

TRAVEL TRAILERS

This category again scored a plus in new unit sales for the month. It's a small number, but it does indicate that the trailer business is more than holding its own this year. Used sales were down considerably for the month, but they are still up for the year-to-date.

Profits softened somewhat. More than half the DAB members who sold new trailers reported that grosses were only fair and two said they were poor.

TRUCK CAMPERS

This seems to be an in-and-out business for some dealers. This year, more got out than got in because the number of our DAB reporters of sales of that RV type has declined. With small numbers, small changes reflect big percentages, so the 32 percent drop in new sales reflects a drop of only seven units.

Used-unit sales have dropped some. Profits on campers seem to be quite good.

CAMPING TRAILERS

It was another "down" month for camping trailer sales. New units fell 26 percent and used dropped 50 percent. Several of the larger dealers of this RV type had a very discouraging August. Only one significantly increased his sales, which he attributed to his "blow out" prices.

Half of the 12 camping trailer dealers on the DAB reported profits good.

FIFTH-WHEELS

As with truck campers, the unit numbers aren't large; so a difference of two units in new-unit sales makes an 18 percent increase for the month of August. Year-to-date, sales are lagging a bit from the previous year. Most of the larger fifth-wheel dealers on the DAB are down significantly from the previous year.

Profit ratings ranged from fair to excellent. Δ

Perspective is a compilation of data provided by RVB's Dealer Advisory Board (DAB), a group comprised of 21 dealers representing a cross-section of the U.S. dealer body. This report is an attempt to reflect the current retail sales picture; it does not purport to indicate RV production or factory sales to dealers.

RVIA, AUGUST

The marketing committee of the Recreation Vehicle Industry Association has announced that the total number of recreational vehicles shipped from manufacturers' plants during August 1986 was 25,903 units, down 2.3% from August 1985.

The shipment figures released by the association are contained in a report compiled for the membership by RVIA's marketing committee under the chairmanship of Allen Yoder Jr. of Jayco Incorporated, Middlebury, Indiana.

RV shipments were as follows in August 1986		August 1985	Percent Change	Cumulative 1986	Cumulative 1985	Percent Change
TRAVEL TRAILERS	3,800	3,800	0%	40,600	41,400	+ 1.9%
PARK MODELS	700	500	+40.0%	5,100	4,900	+ 4.1%
FIFTH-WHEELS	1,700	1,600	+ 6.3%	15,600	14,300	+ 9.1%
TRUCK CAMPERS	600	600	0%	5,300	5,200	+ 1.9%
MULTI-USE VEHICLES (Van Conversions)	13,500	12,000	+12.5%	131,300	115,600	+13.6%
TYPE A: MOTOR-HOMES	2,700	2,900	- 6.9%	22,200	24,200	- 8.3%
TYPE B: VAN CAMPERS	300	400	-25.0%	4,100	5,200	-21.2%
TYPE C: MINI MOTOR-HOMES	1,600	1,500	+ 6.7%	13,600	14,700	- 7.5%
FOLDING CAMPING TRAILERS	3,000	3,200	- 6.3%	25,000	26,300	- 4.9%
TOTALS	25,903	26,500	- 2.3%	262,800	251,800	+ 4.4%

WDA SECOND QUARTER 1986

The second report from the Warehouse Distributors Association's (WDA) new quarterly survey of members has just been released. With comparative data for the first two quarters of 1986, the report offers new information on RV activity at the wholesale level.

The WDA survey is a joint effort with the Indiana Business Research Center of the Indiana University School of Business. In addition to industrywide data, as reported here, each firm responding to the quarterly WDA survey receives a confidential report showing just how that firm ranks among all respondents in a variety of indicators.

The first report was based on responses from 30 WDA members, but 5 additional firms came forward with data to bring the second-quarter total to 35 participating companies. The increase in participation seems to indicate that this new program is providing useful information to the WDA membership.

The WDA report for the industry provides the following data: sales volume (amounts and percent changes), inventories (amounts and sales-to-inventory ratios), average days for receivables, and percent of receivables 60 days or more.

These critical data are categorized for all responding firms by size of firm. Based on average monthly sales, the companies are divided into three groups:

small (less than $100,000 monthly sales),
medium ($100,000 to $500,000 monthly sales), and
large (more than $500,000 monthly sales).

Some of the more interesting findings are shown in the accompanying graphs:

Figure 1 shows that average days of receivables tend to be lower for the larger firms than in the second quarter, while the smaller- and medium-size firms tended to have higher numbers of days of outstanding receivables than in the first quarter.

Figure 2 indicates that larger firms sales-to-inventory ratios are a little more lean than those of the smaller firms, but firms of all sizes improved their sales-to-inventory ratios between the first and second quarters. This was done largely by reducing inventories as sales grew rapidly.

All of these findings seem to make sense. Nonetheless, it will take time to analyze the data, find whatever errors may exist in the computer routines used, and verify questionable results with the participating firms. Until all these steps can be taken, only tentative conclusions can be drawn about the aftermarket.

Figure 1

Average days of receivables of WDA firms first and second quarters 1986 (median values)

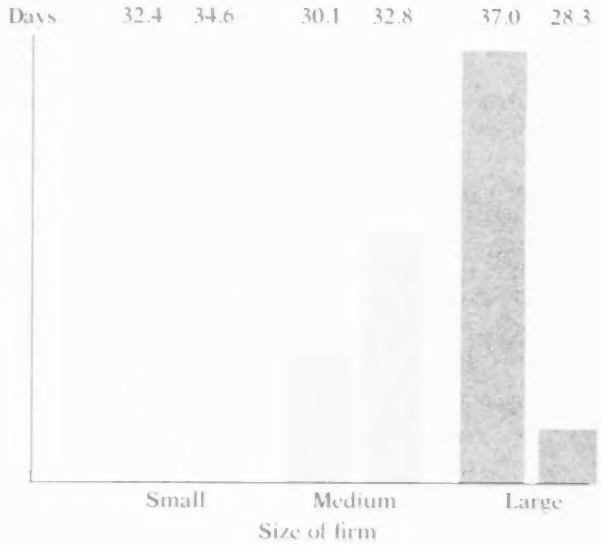
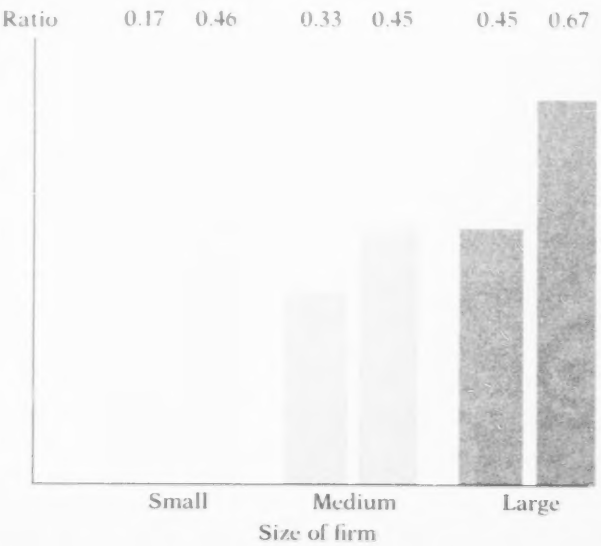


Figure 2

Sales-to-inventory ratios of WDA firms first and second quarters 1986 (median values)



Class C's: WHAT LIES AHEAD?

ROBERT LONGSDORF JR.

For the last few years, the Class C motorhome has been a little like an aging member of the peerage, living in reduced circumstances but still very much a part of a proud heritage. Looking at the future, industry opinion is divided over whether Class C traditions will die out or be passed on to a new generation with different, more viable characteristics.

Certainly, mini-motorhomes appear to have fallen on hard times. Shipment figures have dropped from a high of about 60,000 units annually 10 years ago to less than 20,000 units a year today. At the same time, the Class C's total share of the motorhome market has fallen to about 40 percent from a high of nearly 80 percent about eight years ago.

During this slide, the Class C has also undergone an interesting metamorphosis. "The Class C has become a very complicated RV," says Fred Emmert, former director of marketing for Winnebago Industries Incorporated. "In 1979, when about 78 percent of the motorhome industry was Class C's, the market was primarily the conventional Class C built on the chopped Dodge or Chevrolet van chassis. Now we are down to about 40 percent of the market, but within the Class C category we now have other segments—the low profile and the micro-mini. So now we are looking at a much more complex Class C market, which I think is going to experience some major changes and major growth for some of the segments."

Looking at the various segments of the current Class C market, minis still appear to be gradually losing market share. According to Mac Bryan, vice president of marketing for the Recreation Vehicle Industry Association (RVIA), chopped van Class C shipments totaled 12,000 units for the first seven months of 1986, compared to 13,200 for the same period in 1985. Micro-minis posted 3000 shipments through July of 1986, up from 2800 in 1985. And low-profile units such as the Le Sharo, Phasar and Transvan tallied 2200 units in the first seven months of the year, off from 2900 units for the same period last year.

As a result of those totals, a number of RV industry observers have concluded that the minis are on their way to becoming the dinosaurs of the RV industry. Others see them as very viable units occupying an important niche in the RV marketplace.

For example, Wayne Mertes, president of National RV Incorporated of Perris, California, believes the chopped van Class C will definitely continue to decline in numbers. Noting the steady drop in mini shipments from his plant in recent years, Mertes says, "Although the mini market can be a bit mysterious at times, I would have to say at this point that it certainly seems much softer than A's or micros. I think that conventional C's will continue to decline and will ultimately become somewhat like the slide-in camper. The market will continue to be there, but it will be significantly reduced. I think it is fairly certain that it will no longer be a growth market."

A sharply contrasting view is offered by Sid Johnson, director of marketing for Coachmen Industries Incorporated, who says that his company has enjoyed respectable mini sales this year. "I am not at all pessimistic about the future of the chopped van C," he says. "It may never enjoy the kinds of numbers it has in the past, but I don't think we need to be concerned that it is a dying breed. A lot of people have been saying that for a number of years now, and the mini hasn't died yet. I think that it offers a nice alternative for a lot of RV buyers. It is almost an entry-level vehicle for some. And, over the long haul, I think it has the potential of being a good entry-level product."

Most industry observers agree that minis are at a crossroads, and the road to market success, even survival, may depend on a number of factors that could eventually affect Class C design, cost and marketing.

The continually escalating cost of chopped van Class C's has been, perhaps, the single biggest inhibitor to sales in recent years. Most RV manufacturers are quick to blame Ford Motor Company and General Motors Corporation (GM)—RV chassis suppliers—when it comes to explaining current sticker prices. But Emmert disputes that contention: "We compared the price increases of chopped van chassis against the general inflation rate here at Winnebago a couple of years ago, and found that the things we did as a body-builder increased the cost of the units much more than the chassis prices did."

Nevertheless, there is no denying the impact of chassis prices on the final price of conventional Class C's. "Right now, a cutaway Class C chassis represents ap-

PHOTO: PAUL PRIBBLE

CLASS C's *continued*

proximately 50 percent of the cost of the completed unit," Johnson notes. "By comparison, a Class A chassis is anywhere from 10-35 percent of the final cost, depending on the type of unit you are building. Clearly, the chassis cost for a mini is disproportionate."

Because price increases on mini-motorhomes have led the upward trend in RV prices, minis are now caught in a price squeeze. Many manufacturers say they find it almost impossible to produce a well-appointed conventional Class C that can effectively compete against lower-priced Class A's. On the other side, minis face increasing competition from micro-minis. In the last two years, Toyota Motor Sales U.S.A., the primary micro chassis supplier, has made some significant upgrades in its chassis' gross vehicle weight rating (gvwr), so that micro manufacturers have been able to build larger units with more amenities, while keeping the price of those units very competitive.

Not only does the full mini suffer in price comparisons with Class A's and micro-minis, it generally comes off second best in a chassis design comparison.

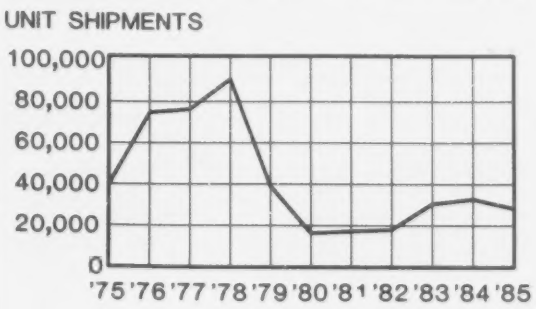
While it's true that micro chassis are now the object of close scrutiny by the National Highway Traffic Safety Administration (NHTSA), which is probing complaints of gross overloading problems, the micro's import chassis has gained a reputation for being both rugged and fuel-efficient. The same can't be said for the conventional Class C chassis, however.

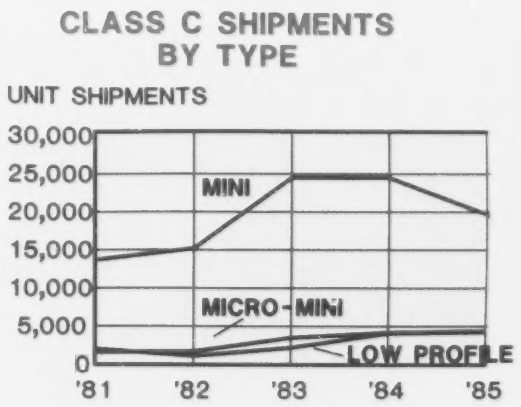
The price of the domestic chopped-van chassis is a problem," Mertes observes, "but we have equal problems when it comes to performance. We have heard that some improvements are going to be made next year, which will certainly help. I think that, if we had better chassis from the standpoint of performance, we might also have a bigger conventional Class C market right now."

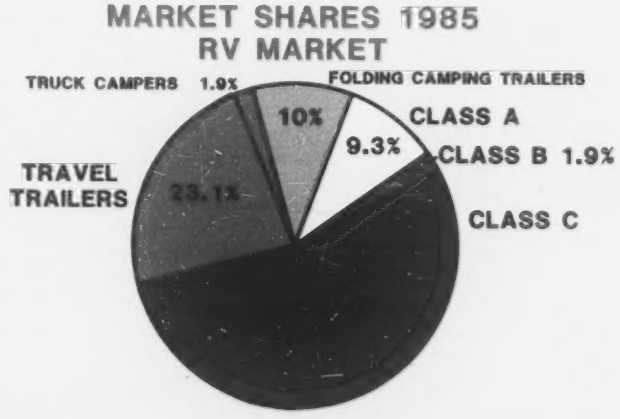
The cutaway Class C chassis coming out of Detroit has changed little from what was produced a decade ago. Although the chassis offers some gvwr advantages for motorhome owners who tow boats or second cars, both Ford and GM have steadfastly refused, until recently, to offer more efficient power plants in the cutaway chassis. Similarly, many motorhome manufacturers and dealers continue to bemoan the level of service offered by the automakers' dealer network. Those drawbacks, combined with escalating prices, have converted a lot of mini-motorhome buyers into micro-mini or Class A owners.

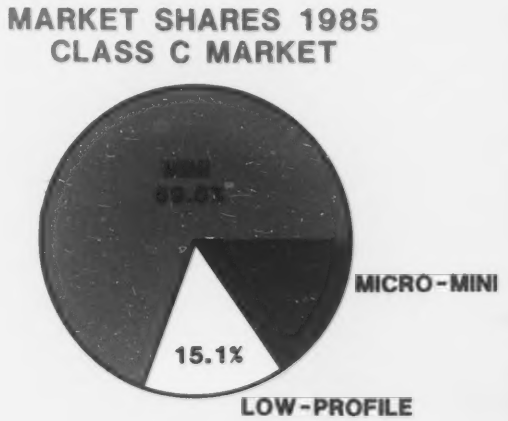
With so many strikes against it, it might appear that the conventional Class C's are heading toward a dead end; however, there are some very positive signs that minis may be turning in a new direction.

Other RV manufacturers join Coachmen in detecting a stronger demand for conventional Class C's during the past season. Though wholesale shipments to dealers are down, Ford and Chevrolet reported stronger chassis sales during the past summer than in the summer of 1985. "There is indeed an indication that



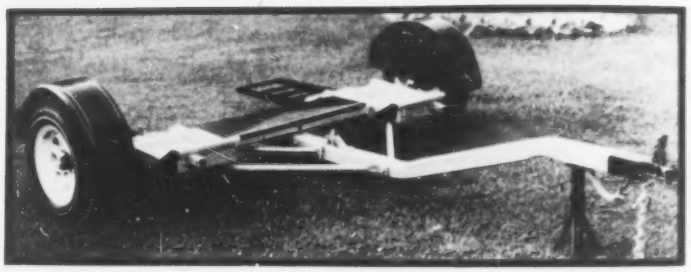






STATISTICS COURTESY OF RECREATION VEHICLE INDUSTRY ASSOCIATION

AUTO DOLLY



PRICE: $799.00 F.O.B. MO

(Call for dealer discount)

Standard Features Include:

- Automatic Swivel Steering
- New 13" Tires
- White Spoke Wheels
- Quality Wheel Harness
- Pin Striped
- 3500 lb. Dexter Axle
- Tool Box
- Tilt Bed
- Stationary Ramps
- Safety Chains

Ken Den Trailer Mfg.
Rt. 2, Box 113
New Bloomfield, MO 65063
314-491-3650

Ken Den. Circle 50 on Reader Service Card

TOYOTA FACTORY AIR.

GET WIND OF IT.

You built your micro mini with a hard-working Toyota cab chassis.
Now cool it—with a reliable Toyota in-dash air conditioner.
And give your customers the advantage of service that's as close as the nearest Toyota dealership.
They will appreciate the convenience. And you and your dealers will have one less worry.
Toyota air. Nationwide system of parts and service centers. 12-month unlimited mileage warranty. And customer satisfaction. For the full story call:

PROAIR INC.

P.O. Box 4125, 57755 Holiday Drive
Elkhart, IN 46514, 219-522-9864

Manufacturers and Distributors of Automotive Air Conditioning, Speed Controls and Accessories.

ProAir. Circle 92 on Reader Service Card

CLASS C's *continued*

demand is heading up," says Dave Tarrant, RV-OEM sales manager for Ford Motor Company. "For example, in June of last year, we wholesaled about 850 cutaways out of the pool. This June, we did more than 1350."

Despite those encouraging numbers, most industry experts now think that, if the Class C is to become a major force in the industry again, there will have to be modifications in traditional Class C design. In fact, the mini-motorhome of the future may be a radically different vehicle with a profile more akin to a Class A, while still occupying a niche in the middle of the market.

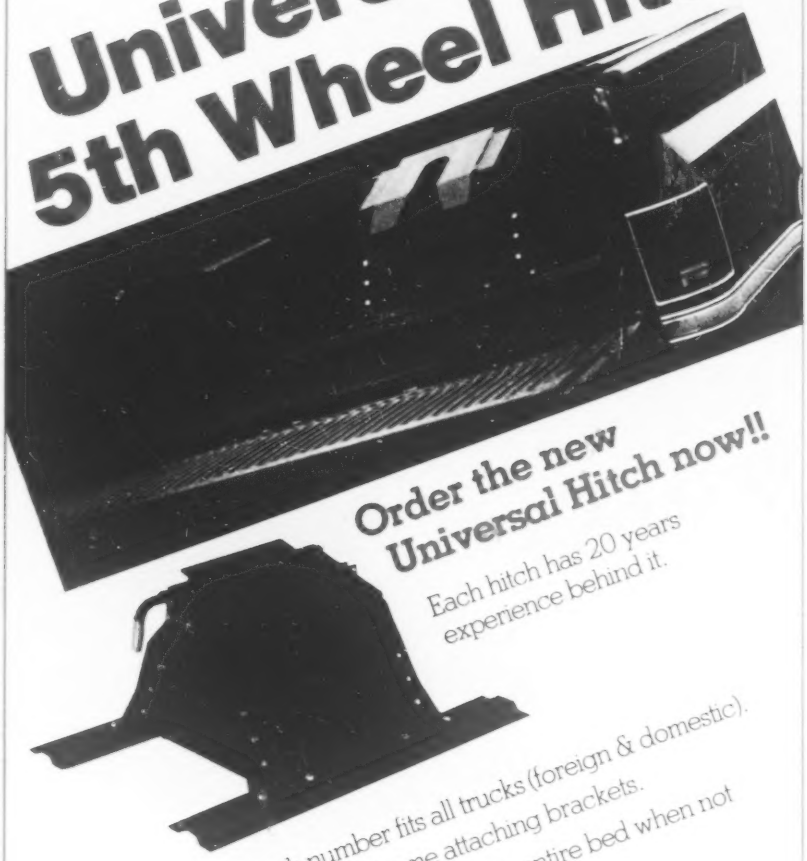
The research and development departments of some of the major RV manufacturers already are at work on their own chassis designs. "Because of the chassis we have now, it's just too difficult to build a value-packed unit and offer it at a reasonable price," Sid Johnson observes. "So, in order to have a viable product in the Class C market in the future, I think we are going to have to do a lot of R&D work on it. While I think the development of the Class C during the next few years is going to be an evolutionary process, rather than a revolutionary one, I do believe that, a few years from now, we are going to look back on the Class C and be amazed at how much it has changed."

When major design changes are mentioned for Class C's, images of units like the Winnebago Le Sharo and Phasar spring to mind. Many industry observers have predicted that those low-profile units or other recent low-profile entries, such as the Vixen, are really the design trend of the future for Class C's. The slide in low-profile sales this year has shaken some of those forecasts, but manufacturers such as Winnebago remain convinced of the low-profile unit's future prospects.

"We definitely believe the Le Sharo and Phasar are going to continue to be units that occupy a solid niche in the marketplace," observes Bryan Hays, vice president of sales and marketing for Winnebago. "We have been a little concerned about the flat sales for this year but have addressed that now with a significant facelift that has given both units a very stylish exterior for 1987. Our dealers who have seen the unit believe that it is not only going to increase sales in general, it will also help pull in a younger buyer who will be attracted to its more youthful look. We are very excited about the product now and think it has an excellent future."

Others in the industry express reservations about whether low-profile vehicles represent the future trend in Class C's. "We still have to address the price issue with Class C's," notes Mertes of National RV. "I'm not sure some of the newer entries in the low-profile market,

Universal 5th Wheel Hitch



Order the new Universal Hitch now!!

Each hitch has 20 years experience behind it.

Universal Fit one stock number fits all trucks (foreign & domestic).

Easily installed with included frame attaching brackets.

Removable to allow the consumer to use his entire bed when not towing.

UPS-able for fast deliveries.

Lightweight easy for the consumer to handle inside and out of his truck bed.

Easy to understand so the consumer knows how to use it properly.

Dependable built by the inventor of the fifth wheel hitch.

Distributors CALL 1-800-826-1960 with your order now, before your competition does.

Dealers!! Call your local distributor for the new hitch. If he doesn't carry the new hitch, it's time to change distributors.

OWENS Classic

P.O. Box 628, Sturgis, MI 49091
Telex: #704491
In Michigan: (616) 651-9319

Distributors throughout U.S. and Canada

Owens Classic, Circle 62 on Reader Service Card

CLASS C's *continued*

like the Vixen, are going to be what ultimately replaces the conventional Class C, because they are very expensive."

There are encouraging signs that the appearance of other chassis options and the major RV manufacturers' experimentation with their own chassis alternatives to Detroit's conventional cutaway may pressure domestic chassismakers into being more responsive to RV manufacturers' needs. Earlier this year, Chevrolet announced that it would offer its 454-cid V-8 in a cutaway chassis for 1987. Although that announcement was later modified to a "maybe," unconfirmed rumor has it that the larger engine will be available sometime next year. In the meantime, Ford has taken a leadership position in Class C chassis

"We are going to look back on the Class C and be amazed at how much it's changed."

production. The company will offer the 460-cid V-8 next year and has hinted that it will be making other changes that will be welcomed by RV manufacturers.

"We are not stopping with the bigger engine," Dave Tarrant of Ford asserts. "We have some more developments slated for that chassis, and there is some exciting news in the offing. Body-builders can rest assured that we are committed to the cutaway chassis."

That is especially good news for some of the smaller Class C manufacturers without big R&D budgets. "We don't have the research and development resources that would allow us to get into a major redesign of the Class C," explains Al Slabaugh, general manager of Elkhart-based Carriage Incorporated, a new entry in Class C manufacture. "For someone like us to develop our own chassis or make major modifications to the Detroit chassis is just not possible. We have to work with what we have and look for other ways to make the traditional Class C design more exciting. We think that is possible, and that is why we made the decision just this year to get into the Class C market."

Finally, beyond cost and design changes, some manufacturers think that Class C marketing must be redirected. For example, Carriage believes the real demand for Class C's today is in the high-

INCREASE TRAFFIC AND SALES WITH THE INDUSTRY'S BEST-SELLING VAN CAMPER AT A SUPER LOW PRICE.

$17,995 is the exceptionally low suggested retail selling price of the all new Horizon van camper from Intervec, the motorhome your customers can enjoy 365 days a year.

Write or phone today to learn how easy it is to find a new Horizon in profits.

RVB11

Dealership Name _____

Address _____

City/State _____

Zip _____

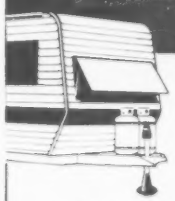
Mail to: International Vehicles Corporation
P.O. Box 424 / Bristol, IN 46507

*Excluding freight, prep, licensing & sales tax
©1986, International Vehicles Corporation

International Vehicles Corporation
P.O. Box 424 / 200 Legion St. Bristol, IN 46507
(219) 848-7686

International Vehicles, Circle 46 on Reader Service Card

Trailer Tongue Jack Stand



8⅝" Dia.
7½" High

only **$19.95**

Add $2.00
Shipping and Handling

5-YEAR GUARANTEE

- Unbreakable Polycarbonate
- Guaranteed to hold **10,000 lbs.**
- Weighs Only 2 lbs.
- Eliminates Heavy Wood Blocks
- Trailer Tongue Jack Stands are made of the same material that safety helmets are made of.
- For the traveler who takes Pride!

KAYE PRODUCTS TORRANCE, CA

**4455 TORRANCE BLVD.
SUITE 119
TORRANCE, CA 90503**

Kaye, Circle 49 on Reader Service Card

CLASS C's *continued*

line mini-motorhome market. "If you look at the mini in the last few years," Slabaugh explains, "you see that everyone has attempted to emphasize price. A low-priced mini was supposed to be what would sell, because everyone thought the first-time buyer saw the mini as an entry-level vehicle. We don't think that is the case. We aren't convinced the first-time buyer is looking at price; our experience has shown that he wants, first, a unit that fits into his lifestyle and then he considers whether it will fit into his monthly budget."

Ignoring the first-timer completely, Carriage says it is introducing a line of luxury-class minis aimed squarely at the seasoned RVer who is either a die-hard mini owner or a class buyer looking to move down from a 35-footer to something that he perceives is more manageable. "Our theory is that there are some older RVers who are looking for something more manageable," Slabaugh says, "but they don't want to sacrifice when it comes to amenities and storage space. They want to be able to move everything from their Class A into a little smaller mini but not feel as if they are making a big sacrifice in doing it." The Carriage Class C, dubbed the "Callista," is scheduled to be unveiled at the Dodger Stadium RV Show in November and will be available in lengths ranging from 24 feet to 28 feet. It will carry sticker prices right up there with the Class A's, according to Slabaugh.

"Our experience illustrates that people who want a mini-motorhome today want a big rig."

Ford's Tarrant, for one, believes that Carriage's market targeting is appropriate. "Our experience clearly illustrates that people who want a mini-motorhome today want a big rig," he says. "This season we have managed to sell some of the shorter-wheelbase chassis, but, by and large, we have found that the Class C has carved out a solid niche in the 25- to 27-foot lengths. We think the conventional Class C has evolved into a vehicle with Class A features, that it offers advantages such as low step height and a more conventional automobile feeling to the cab. There is definitely a segment of RV buy-

ers out there who want that."

Yet hopes that new markets and better chassis design will spark an increase in Class C sales may be frustrated in the case of many smaller RV manufacturers because of the limited number of chassis coming from Detroit. Expressing the feelings of those who have been left out in the cold, National RV's Mertes complains: "The chassis supply is really what has been limiting the market for us. We have been trying for four years to get Ford chassis, and we have not been able to get into the pool."

The undersupply of chassis isn't likely to change in the future. Although some Class C builders were offered temporary encouragement last summer when Chrysler Corporation announced its intentions to jump back into the RV industry with a cutaway chassis, those hopes have been dimmed with word that Chrysler has changed its mind. Unless some RV builders develop their own chassis soon, that leaves Chevrolet and Ford furnishing what the market needs, and there are no indications that either company plans to increase production.

"The chassis supply is really what has been limiting the market for us."

As Tarrant notes: "We might be able to sell more chassis if we had more production capabilities, but it would be very expensive to increase production, and we're not sure what the return would be. If we had unlimited production with cutaways, how many would we sell? We don't know. Right now we're happy with things the way they are."

While those manufacturers who would like to see more conventional Class C chassis available don't share Tarrant's contentment with the status quo, there are strong indications throughout the industry that enthusiasm is returning for Class C's. "The preference in recent years has been for Class A's, because the market has been made up primarily of previous owners," says Fred Emmert. "However, if the first-timers start coming back, as everyone thinks they will, then the C market is bound to get stronger. When that happens, if we have good innovative products to offer them—be it micros, minis or low-profile units—we are going to see a strong resurgence of the entire Class C segment." Δ

3-T's

makes products to make RV's...

Ride Better...
Run Cooler...
More Comfortable...
Park Easier...
&Last Longer!

3-T's RV PRODUCTS, INC.
15759 STRATHERN STREET • VAN NUYS, CA 91406
CALL TOLL FREE—Outside California 1-800-223-1779 •
From California call 1-800-223-2503

3-Ts RV Products, Circle 78 on Reader Service Card

Magic Chef®

RV PARTS ... RANGE, MICROWAVE, REFRIGERATOR

All Orders Shipped Freight Prepaid
CALL TOLL FREE
1-800-348-7664 1-800-552-7511 (INDIANA)
VISA or MASTER CARD ACCEPTED

Magic Chef, Circle 55 on Reader Service Card